

**ORDER 2020-129
IN RE SETTLEMENT AGREEMENT**

**BELTERRA RESORT INDIANA, LLC
20-BT-02**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 23rd DAY OF NOVEMBER, 2020.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
BELTERRA RESORT INDIANA, LLC) **20-BT-02**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Belterra Resort Indiana, LLC (“Beltterra”) (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. IC 4-38-11-1 provides that the bureau shall provide information to a certificate holder concerning persons who are delinquent in child support.
 - (b) Prior to a certificate holder disbursing a payout of six hundred dollars (\$600) or more, in winnings, from sports wagering to a person who is delinquent in child support and who is claiming the winning sports wager in person at the certificate holder's facility, the certificate holder:
 - (1) may deduct and retain an administrative fee in the amount of the lesser of:
 - (A) three percent (3%) of the amount of delinquent child support withheld under subdivision (2)(A); or
 - (B) one hundred dollars (\$100); and
 - (2) shall:
 - (A) withhold the amount of delinquent child support owed from winnings;
 - (B) transmit to the bureau:
 - (i) the amount withheld for delinquent child support; and
 - (ii) identifying information, including the full name, address, and Social Security number of the obligor and the child support case identifier, the date and amount of the payment, and the name and location of the licensed owner, operating agent, or trustee; and
 - (C) issue the obligor a receipt in a form prescribed by the bureau with the total amount withheld for delinquent child support and the administrative fee.
 - (c) The bureau shall notify the obligor at the address provided by the certificate holder that the bureau intends to offset the obligor's delinquent child support with the winnings.
 - (d) The bureau shall hold the amount withheld from the winnings of an obligor for ten (10) business days before applying the amount as payment to the obligor's delinquent child support.

- (e) The delinquent child support required to be withheld under this section and an administrative fee described under subsection (b)(1) have priority over any secured or unsecured claim on winnings except claims for federal or state taxes that are required to be withheld under federal or state law.
2. Chapter 5, Section 2(2)(W) of the Emergency Rules for Sports Wagering provide that prior to beginning sports wagering operations, a sports wagering operator must submit for approval under 68 IAC 11 internal controls for withholding winnings from delinquent child support obligors in accordance with IC 4-38-11, including a plan for complying with IC 4-38-11 if the sports wagering operator allows the redemption of tickets via mail.
 3. 68 IAC 11-9-2(a) provides the casino licensee or trustee shall submit to the executive director internal control procedures concerning the withholding of cash winnings from delinquent obligors in accordance with 68 IAC 11-1.
 4. 68 IAC 11-1-3(c)(4) provides that no casino licensee or casino license applicant may use an internal control procedure unless the internal control procedure has been approved, in writing, by the executive director.
 5. Belterra's approved internal control procedures describe the procedures for the Child Support Arrears Delinquency Registry in T-1 and in their Sports Book Internal Control Manual.
 6. Gaming Agent's audited the Child Support Arrears Delinquency Registry (the "CSADR") for March 2020. The results of this audit found one (1) individual was not searched through the CSADR system at the time sports wagering winnings in excess of \$600 was won.

COUNT II

7. 68 IAC 13-1-1(b)(2) and (3) provides the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
8. 68 IAC 2-3-1(i)(3) provides that the Chief of Security shall hold a Level 1 occupational license.
9. The Commission is charged with making licensing determinations for the employees of the Indiana casinos based off the regulation outlined in the Indiana Administrative Code. The need for licensure is determined by Commission staff through job description and organizational chart submissions by the casino. Submissions must be sent to the Commission's Gaming Administrator for review and approval prior to implementation.

10. On May 8, 2020, the Assistant Gaming Enforcement Supervisor was notified by the Belterra General Manager that Boyd Gaming was eliminating the Director of Security position at Belterra, a Level 1 licensee. During the casino shutdown for Covid-19 pandemic, Boyd Gaming was eliminating positions that were not in their network. The acting head of Security was a Level 2 licensee. Belterra did not seek Commission review and approval prior to making this change.

COUNT III

11. 68 IAC 2-3-9.2(b) provides riverboat licensees must advise the enforcement agent, on a form prescribed or approved by the commission, when one (1) of the following events occurs with an occupational licensee: (1) The occupational licensee's employment with the riverboat licensee is terminated for any reason. The form must be submitted to the enforcement agent within fifteen (15) days of the occurrence of the change or action.
12. On February 11, 2020, Gaming Agents received termination paperwork for a Sportsbook Supervisor. The Sportsbook Supervisor was terminated on January 23, 2020 which exceeded the 15 day requirement.

COUNT IV

13. 68 IAC 1-12.5-2(a)(1) provides a casino licensee shall submit a promotional event under this subsection to the commission at least fifteen (15) days prior to the promotional event.
14. Gaming Agents were advised that a promotional event had occurred without Commission approval. The VP-GM at Blue Chip Casino advised that a point multiplier promotion for Aliante Casino in Las Vegas was inadvertently scripted to include Belterra and Blue Chip Casinos in Indiana. The error was missed during quality control.

COUNT V

15. 68 IAC 2-6-6(a)(6) provides the casino licensee must maintain an inventory of electronic gaming devices and equipment. The inventory must include the location of the electronic gaming device.
16. 68 IAC 2-6-6(c)(1)(C) provides if a casino licensee converts an electronic gaming device, the casino licensee must request permission for the conversion from the commission and supply the commission with the location of the electronic gaming device on the casino.
17. On June 30, 2020, Gaming Agents observed three (3) electronic gaming devices (EGD) unattended and unsecured on the employee ramp to the casino. The EGD's had been received and verified by Gaming Agents the day prior. When the Slot Performance Supervisor called Gaming Agents to implement the EGD's, he was unaware that the EGD's were not where they were supposed to be.

18. 68 IAC 17-1-1(f)(1-2) provides if an electronic gaming device is not being used by a casino licensee and is being stored outside the casino, the EPROM shall be stored separately in a locked safe or the equivalent.
19. On September 9, 2020, Gaming Agents were conducting a check of EGD's being returned back to a Supplier when it was discovered that one of the EGD's that had been stored off the casino floor and in the warehouse still had a CPU locked and taped inside. The game was removed from the casino floor in December 2019 and had been placed in slot storage. The game was initially stored in storage on the vessel as it was intended to return to the casino floor; however, at some unknown time, it was determined that it would not return to the floor and be moved to the warehouse.

COUNT VI

20. Chapter 7, Section 16 of the Emergency Rules for Sports Wagering provide:
 - (a) Patrons must be able to access information pertaining to any available promotions or bonuses. This information must be clear and unambiguous, especially where promotions or bonuses are limited to certain events or markets, or when other specific conditions apply.
 - (b) A record of all promotional or bonus wagering offers shall be maintained in an electronic file that is readily available to the division. All bonus and promotional wagering offers shall be stated in clear and unambiguous terms and shall be readily accessible by the patron after the offer is accepted and prior to completion. Offer terms and the record of all offers shall include at a minimum:
 - (1) the date and time presented;
 - (2) the date and time the offer is active and expires;
 - (3) patron eligibility, including any limitations on patron participation;
 - (4) any restriction on withdrawals of funds;
 - (5) wagering requirements and limitations;
 - (6) the order in which funds are used for wagers;
 - (7) eligible events or wagers; and
 - (8) rules regarding cancellation.
 - (c) All promotions and bonuses must:
 - (1) include terms and conditions that are full, accurate, clear, concise, and transparent, and not contain misleading information;
 - (2) ensure advertising materials include material terms and conditions for that promotion or bonus and have those material terms in close proximity to the headline claim of the promotion or bonus and in reasonably prominent size;
 - (3) disclose applicable terms if the patron has to risk or lose his or her own money as part of the promotion or bonus or has conditions attached to his or her own money as a result of the promotion or bonus;
 - (4) not be described as risk free if the patron needs to incur any loss or risk the patron's own money to use or withdraw winnings from the risk free bet; and
 - (5) not restrict the patron from withdrawing the patron's own funds or withdrawing winnings from bets placed using the patron's own funds.

21. On March 11, 2020, the Director of Legal and Regulatory Affairs at FanDuel notified the Commission's Sports Wagering Investigator that Fan Duel had conducted an unapproved promotion on the sports wagering kiosks (SWK) at Blue Chip Casino and Belterra Casino. FanDuel activated its parlay insurance promotion at the SWK's. This promotion had been approved for mobile sports wagering only and ran from February 12, 2020 to February 26, 2020. The promotion was activated by FanDuel; however, Belterra as the sports wagering certificate holder, had a responsibility to know what promotions were being run on its property and to ensure they have been approved.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Belterra by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, 68 IAC, the Emergency Rules for Sports Wagering, and/or Belterra's approved internal control procedures. The Commission and Belterra hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Belterra.

Belterra shall pay to the Commission a total of \$6,000 (\$1,000 for Count I, \$1,500 for Count II, \$1,000 for Count III, \$1,000 for Count IV, \$1,000 for Count V and \$500 for Count VI) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained in this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, Belterra agrees to promptly remit payment in the amount of \$6,000 and shall waive all rights to further administrative or judicial review.

This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and Belterra.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.

Sara Gonso Tait, Executive Director
Indiana Gaming Commission

Date

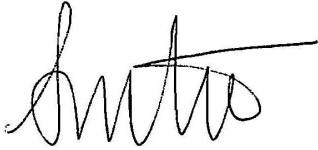


Peter Chu, General Manager
Belterra Resort Indiana, LLC

Date

11 / 10 / 2020.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.



Sara Gonso Tait, Executive Director
Indiana Gaming Commission

11/20/20

Date

Peter Chu, General Manager
Belterra Resort Indiana, LLC

Date